

DUN'S REVIEW



COMMERCIAL AND BANKING FAILURES FROM OFFICIAL RECORDS
COMMODITY PRICE INDEX ~ BANK CLEARINGS REPORTS

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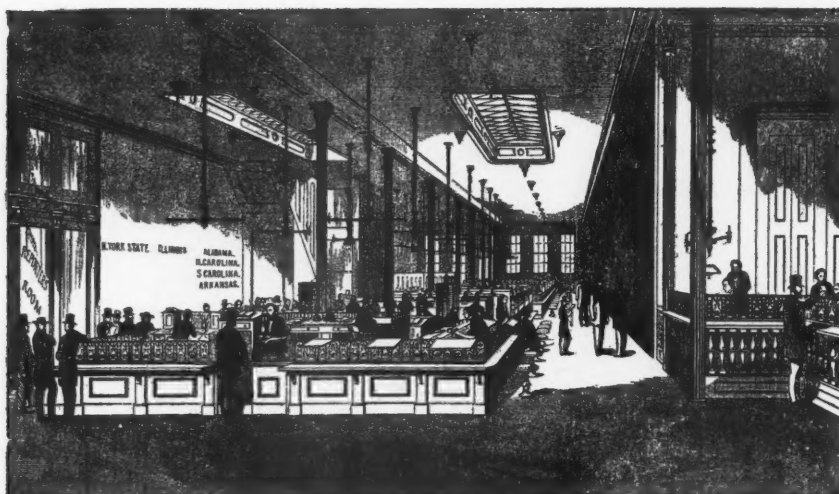


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The oldest and largest Mercantile Agency in the World

Established 1841



An interior view of The Mercantile Agency, from an early print, as it appeared from 1857 to 1864

This engraving shows the interior of the quarters occupied by The Mercantile Agency at 314 Broadway, New York City, from 1857 to 1864.

In the first year that the headquarters of The Mercantile Agency were located at this address, a program of expansion was begun which had as its ultimate objective the development of an organization of world-wide scope. In 1857 offices were opened in London, England, and Montreal, Canada.

During the intervening 74 years a total of 77 additional offices of The Mercantile Agency have been opened outside of the United States. Today there are 17 offices in Canada and 62 others in Europe, Africa, Australasia, South and Central America and the West Indies.

The activities of this world-wide network of offices are supplemented by the work of many thousand local correspondents who are to be found in every civilized country.

THROUGH THIS EXTENSIVE WORLD ORGANIZATION THE PRESENT-DAY SUBSCRIBER GETS PROMPTLY, COMPREHENSIVE R. G. DUN & CO. CREDIT REPORTS ON BUSINESS ENTERPRISES LOCATED IN ANY PART OF THE WORLD.

R. G. DUN & CO. THE MERCANTILE AGENCY

*The Oldest and Largest Mercantile Agency
in the World*

290 Broadway, New York

Established 1841



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PUBLISHED WEEKLY BY

R. G. DUN & CO., 290 BROADWAY, NEW YORK

The Oldest and Largest Mercantile Agency in the World

ESTABLISHED 1841

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THE STORY OF COMMERCIAL PAPER

PART II

By L. M. Read, Manager Bank Service Department, National Credit Office

National Bank Losses Heavier

The contrast between losses to holders of Commercial Paper and to banks on bonds and securities and loans and discounts to direct depositors is sharp. In the last ten years Commercial Paper losses have averaged \$6.20 for each \$10,000 on the average amount of Commercial Paper outstanding.

Losses to National banks on bonds and securities during the same period have been eleven times as heavy, or \$70.00 for each \$10,000 on the average amount of outstanding investments in securities.

Losses on direct loans and discounts amounted to \$63.00 for each \$10,000 outstanding.

The Comptroller of the Currency reports annually the losses of National banks and subsequent recoveries. The National Banking System represents approximately 44 per cent. of the banking strength of the country. This group on the whole comprises the more conservative element in American banking. It is reasonable to suppose that reports for all banks, both State and National, would reflect a higher percentage of loss than the figures used.

The chart reflects the percentage loss on average outstandings of Commercial Paper according to National Credit Office records in contrast to losses of National banks on bonds and securities and their own loans and discounts as reported by the Comptroller of the Currency. In both cases the figures have been adjusted to provide for subsequent recoveries.

Inasmuch as the fiscal year of the Comptroller of the Currency ends on June 30th and records of National Credit Office are kept on an annual basis, a direct comparison of Open Market losses and National bank losses during recent months is not available.

It is interesting to observe, however, that in the twelve months ending June 30, 1930, losses to National banks on bonds and securities amounted to \$131.00 for each \$10,000 owned while, on the other hand, the losses on Commercial Paper were but \$11.30 for each \$10,000 average amount outstanding for the entire year 1930. The proportion in favor of Commercial Paper was 12 to 1, despite the handicap by including the last six months of 1930 among Commercial Paper losses and not on bonds and securities.

Open Market paper on which defaults occurred during the first half of 1931 and which is still unpaid amounted to less than two-fifths of one per cent. of the average amount outstanding. At least two of the embarrassments will ultimately pay in full. The final loss to investors will be in keeping with the record of paper in the last ten years.

The availability of complete information and an interchange of comments, together with the independent position of the purchaser, in itself makes Commercial Paper an unusual type of temporary investment. The profits earned is just as important a consideration to the banker.

Comparison of Yield with Wall Street Loans

On the whole, rates on call loans, time money and Commercial Paper fluctuate together. With the exception of periods of unusual stock market activity such as existed in 1929, the rates on Stock Exchange funds are approximately the same as on Commercial Paper, or less. The actual yield to the investing banker, however, is subject to a commission of one-half of one per cent. of the principal charged by the New York correspondent for handling the transaction and supervising collateral. There is no such charge to the investor on Commercial Paper.

The adjustment for the present scale of commissions reduces the net income to the banker on Wall Street loans to a point lower than that on Commercial Paper during the entire period from the readjustment of 1920 up to the present time, with the exception of the last half of 1928 and the first ten months of 1929. The average monthly net yield during the last eleven and one-half years has been as follows:

Commercial Paper.....	4.77%
Time Money.....	4.56%
Call Loans.....	4.38%

Comparison with Bonds

The face value of Open Market paper does not vary with changes in money rates and speculative sentiment on the Stock Exchange. Bonds and securities, on the other hand, are subject to daily price fluctuation. The loss of one point on the market value of a bond yielding 5 per cent. reduces the net income for one year to 4 per cent. A drop of two points brings the net yield down to 3 per cent. This reduction in income does not take into consideration the commission for buying and selling which must be borne by the investor.

The conservative banker formulates definite policies for diversified investments—policies which generally are rigidly adhered to, irrespective of any temporary disparity in yield or price. A substantial portfolio of Prime Commercial Paper places the banker in a position to satisfy the needs of his clientele promptly and efficiently.

As pointed out previously, National bank losses on bonds and securities, after recoveries, have

been eleven times greater than losses on Commercial Paper during the last ten years. With the exception of periods of unusually easy money such as existed in 1924 and have prevailed since late 1929, the apparently greater yield on high-grade bonds has been negligible.

The substantially heavier write-offs against bonds and securities more than offset the slight advantage of greater interest rates. The final net

profit to the investing bank can be figured only after losses and price fluctuation in each instance. The net profit on each \$10,000 average outstanding investment on this basis compares as follows: Commercial Paper, interest, \$477.00; losses, \$6.20; net return, \$470.80. Bonds and securities, interest, \$488.00; losses, \$70.00; net return, \$418.00.

The strength of a bank is in its

customers. The banker must, at all times, be in a position to meet the sudden, as well as the periodical demands of his depositors. To meet these requirements and, at the same time, to operate profitably every bank, whether large or small, must carry a substantial secondary reserve. Loans to customers are subject to renewal. The principal types of investments for surplus funds are as follows:

- (1) Deposits with Correspondent Banks
- (2) Call Money
- (3) Time Money
- (4) Commercial Paper
- (5) Government Bonds
- (6) Other High-Grade Bonds

Deposits with correspondents are carried principally to take care of routine inter-bank relationships such as the clearing of checks and borrowing facilities. The bulk of outside investments falls within the remaining five groups.

Yield on Commercial Paper

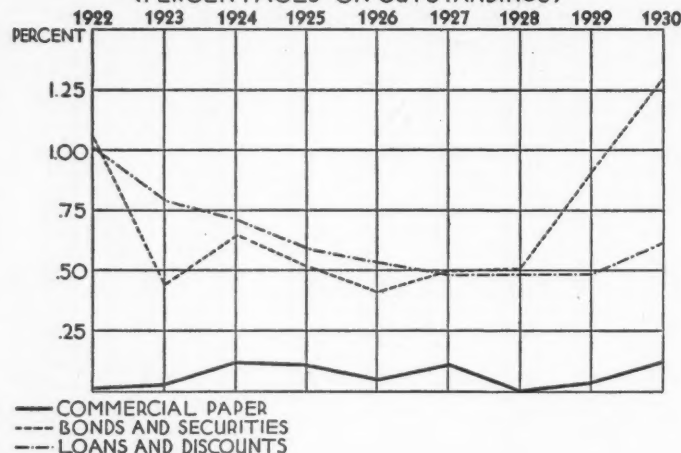
The figures used in the chart on "Comparative Yield on Principal Bank Investments" are monthly averages compiled by the Standard Statistics Co., Inc. The high-grade bond group includes fifteen well-known prime industrials, fifteen railroads, fifteen public utilities and fifteen municipal bonds.

Cost to the Borrower

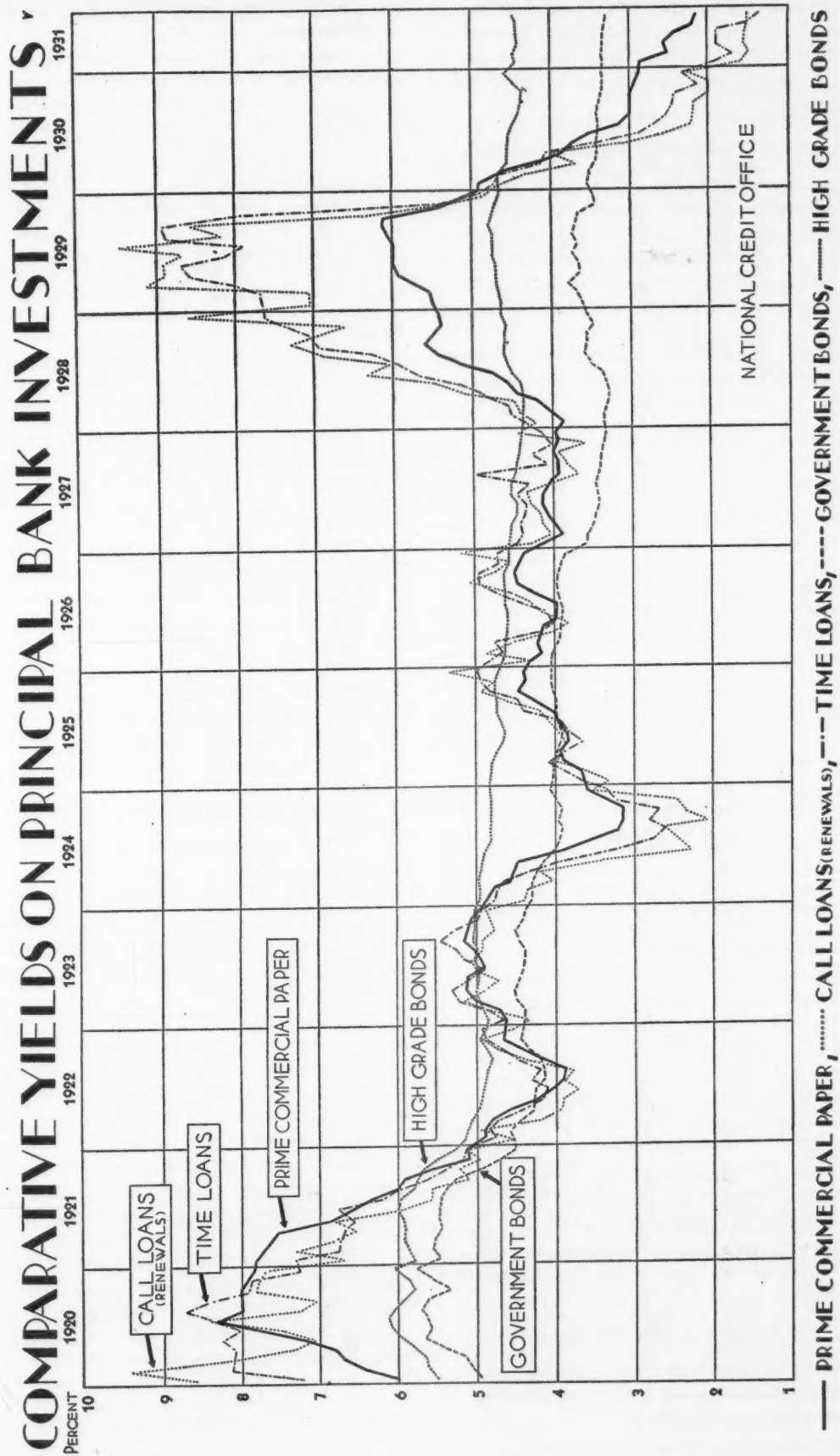
Through the Open Market sound business organizations are able to tap the surplus funds of

PAPER LOSSES COMPARED WITH NATIONAL BANK LOSSES

(PERCENTAGES ON OUTSTANDINGS)



August 8, 1931



the country wherever existant. The flour miller, for example, is able to finance all or a part of a season's requirements in the East when local money rates are comparatively high during the heavy movement of crops.

Advantages of Commercial Paper to the Banker

The Open Market is a very important factor in the financial operation of American business. Its growth and development have been steady and consistent under normal conditions because of one sound basic fact—"the advantages both to the buyer and the seller far outweigh the disadvantages to either."

In comparison with other types of investments for surplus funds, the following advantages of Commercial Paper from the point of view of the investor are predominant:

(1) *Exceptionally Small Losses.*—If all paper names were purchased indiscriminately without credit investigation, losses to buying banks would be only one-eleventh of the losses on bonds and securities, and one-ninth of the losses on loans and discounts.

No bank in the United States has ever become insolvent or even temporarily embarrassed financially through the default of notes purchased in the Open Market.

(2) *Definite Assurance of Return of Funds at Maturity.*—Second only to the certainty of the return of principal is the clock-like precision with which it is paid at maturity, irrespective of general economic conditions.

There is no obligation to renew Commercial Paper—it is automatically paid when due—at par. There is no depreciation in face value, whether money is tight or free. Unexpected requirements for funds may be met promptly. Commercial Paper may be instantly rediscounted with correspondent banks or within three months of maturity with the Federal Reserve Banks. The credit of Open Market names is universally known.

(3) *Net Yield on Paper.*—The banker consistently investing surplus funds in Commercial Paper rather than Wall Street loans whether money is high or low, earns a better yield. Interest rates on Commercial Paper are low when money is free—bonds are high. When money becomes tight bonds go off and the depreciation almost invariably offsets the difference in interest returns. As money tightens, the demands of customers usually increase.

(4) *A Close Contact with Many Lines of Industry and All Sections of the Country.*—This information is invaluable as a basis for comparative judgment on direct discounts and for counsel to customers. This knowledge is best obtained through keeping in intimate touch with the Commercial Paper Market.

Advantages to the Borrower

The advantages of the Open Market to sound industrial organizations are just as outstanding as the advantages to the banker:

(1) The borrower has access to the most

advantageous money rates prevailing in any section of the country.

(2) The borrower is obliged to maintain balances only with its own depositories.

(3) The note broker is in a position to be of definitely valuable assistance in a general advisory capacity, particularly in financial affairs.

(4) The note broker is in a position to assist the borrower in his relationship with his own banks or to arrange new connections if desired.

(5) The suggestions and constructive criticisms received from purchasing banks are extremely helpful to the borrower. This factor in itself more than offsets the slight inconvenience in answering numerous requests for information from purchasing banks.

(6) The intimate knowledge that a banker gains of a borrower's affairs over a period of years assists materially in effecting permanent financing when desired.

(7) The maintenance of attractive balances, together with the liquidation of loans for considerable periods of time, strengthen the obligations of the banker to extend accommodation under unusual circumstances.

Ignoring entirely the tangible advantages to both borrower and investor in the Open Market for Commercial Paper, the great intangible benefit is the broadening of understanding and intelligence created by this contact.

The Paper Market is the greatest single coordinator of credit thought and research. It is the essential link between the leading industrial organizations and the entire banking system of the country. The interchange of viewpoints is invaluable.

COMMERCIAL PAPER CIRCULAR

This is the conclusion of the series on Commercial Paper, Part I of which was published in the August 1 issue of DUN'S REVIEW. In that installment, Mr. Read traced the history of Commercial Paper, pointing out how most of the Open Market paper originated in the wholesale dry goods trade in New York City.

Later, this practice of selling customers' notes, properly endorsed, through brokers to independent bankers spread to other important trades, such as the tobacco, diamond, hides and leather, grocery, sugar and whiskey. After devoting several paragraphs to the volume of Commercial Paper, the size of Open Market borrowers, the industrial and geographical divisions of paper names, Mr. Read took up the industrial and geographical divisions of paper embarrassments.

Parts I and II of "The Story of Commercial Paper" have been assembled in one circular, which forms the only complete treatise on this subject. A copy will be mailed to any one interested. Requests should be addressed to

DUN'S REVIEW
290 Broadway
New York, N. Y.

Dun's Review

"THE WORST SINCE THE SPRING OF 1931"

By A. D. Whiteside

For the past few week-ends I have been, in a very amateurish way, trying out surf casting. As every fisherman knows, the condition of the tide, with many other factors, has an important bearing on the chance that striped bass will take the bait.

While fishing, I have been particularly interested in the action of the tide at the time it changes. When it is running out and turns to come in, it appears on the surface to continue to run out for sometime after the turn.

I believe that fishermen call the half hour or so after the tide starts to come in the "young flood." At the bottom, the current changes and begins "to make," while the surface water still runs out.

And just the reverse happens when the tide reaches flood and starts to run out.

I have observed that the waves come farther up on the beach between 15 minutes and one-half hour after the tide begins to ebb than at the very top of the flood.

These surface indications seem to me identical with the ebb and flow of business activity.

SPRING OF 1929

It is evident now that the business tide started to ebb in the Spring of 1929, although a few of the high waves of the flood tide of profits were not reached until Midsummer or early Fall.

Speaking very broadly, and eliminating all technical economic forms of expression, in the Fall of 1929 hundreds of thousands of people in the United States, because of the Stock Market reaction, lost money, but the severity of the recession in business activity was due primarily to the shock to their confidence which was felt by every consumer in the United States.

Perhaps at no time in the history of this country has there been such a definite reversal in the mental attitude shown regarding the spending of money. While hundreds of thousands were compelled to retrench, millions did retrench, which in turn cut the volume of goods consumed to a point which caused millions of workers to be thrown out of employment.

The flood turned to ebb in the economic tide in the Spring of 1929 and this ebb continued until the Spring of 1931.

SPRING OF 1931

Personally, it has been difficult during the last two or three months, because the surface of the ebb appeared to be still going out, for me to realize that the "young flood" has been making since April or May.

When the ebb started in 1929, consumers of the United States were on their highest basis of fixed expense. They could not immediately cut their rents, interest on mortgages, contracts for installment purchases or other contractual obligations.

But the consumer almost universally did cut, as everyone knows, in buying luxuries or necessities that did not require immediate replacement.

These are factors that seem to indicate that the tide has turned.

1st—The combined number of inquiry tickets received by the entire R. G. Dun & Co. System, the largest in the world, showed that business activity receded month by month from the early Fall of 1929 until May 1st, 1931. The total number of inquiry tickets for the first four months of 1931 showed a reduction compared with the corresponding period of last year (but the May and June volume of inquiry recorded an increase over the corresponding months last year, resulting in a total, for the first six months of 1931, slightly in excess of the first six months of 1930, although the figure is below the first six months of 1929).

But the most significant feature of this increase in the volume of inquiries, indicating greater mercantile and commercial banking activity, lies in the fact that these tickets have increased more heavily in the Shoe and Leather and the Apparel Industries, particularly for men, than in any other Divisions of Trade, which is conclusive evidence of the fact that the "young flood" is making, and that these deferred necessities are now being purchased on a basis of volume almost equal to that of 1929.

2nd—The second factor which is extremely significant is that there is a noticeable, although it may only be a temporary, decline in the number of failures and in the amount involved in insolvencies.

It appears to us that there is a strong possibility that the "young flood" is making economically, and that early in the Fall, and from that time on, additional Industries will begin to feel the growth in consumption which will result from the increase in employment which has taken place in a few of the basic Industries that are now on the upward swing.

These comments are not made from the standpoint of attempting to foretell a definite or a decided change for the better in the general economic condition of the country, but they do appear to us to be of sufficient importance to be brought to the attention of the Credit Community, for when somewhat similar conditions existed in 1893-5, these identical factors, excluding the installment selling feature, were the first to indicate that a definite turn for the better had set in.

So it may well be that when the minor set-backs occur during the next ten years, we shall become accustomed to hearing the expression—

"It is the worst since the Spring of 1931."

I hope so.

August 8, 1931

ENCOURAGING DECREASE IN FAILURES DURING JULY

While the Number Trails the July, 1930, Record, Liabilities Were Heavier—Week's Insolvencies Lower

There were 1,983 commercial insolvencies during July with liabilities of \$60,997,853. In July, 1930, a total of 2,028 defaults was revealed, having an indebtedness of \$39,826,417. The sharp increase in the liabilities was due to several failures of unusual size.

Separated according to branches of business, the manufacturing division shows an increase in number in eight of the fifteen divisions, the exceptions being lumber, etc., printing and engraving, milling and bakers, and the miscellaneous group. In cottons, lace and hosiery, and paints and oils no failures occurred.

Failures Among Traders Decrease

Defaults among traders have declined in ten of the fifteen groups, those having a larger number being shoes, rubbers and trunks, chemicals and drugs, paints and oils, and jewelry and clocks. In the group embracing hotels and restaurants, the number was the same for both years. An increase is recorded in the "other commercial" class, which is comprised of agents, brokers and all commercial failures which cannot properly be listed in either the manufacturing or trading division.

FAILURES BY BRANCHES OF BUSINESS—JULY, 1931					
	Number			Liabilities	
	1931	1930	1929	1931	1930
Manufacturers					
Iron, Found. & Nails	12	11	15	\$977,500	\$231,300
Machinery and Tools	37	34	24	1,654,875	1,442,971
Woolens, Carpets &c.	2	1	1	810,000	17,500
Cotton, Lace & Hary.	..	1	3	.....	8,500
Lbr., Bldg. Lines, &c.	39	31	28	3,491,514	2,876,235
Clothing & Millinery	63	37	46	1,438,198	\$21,500
Hats, Gloves & Furs	10	12	13	274,100	\$12,400
Chemicals and Drugs	13	8	6	873,200	30,600
Paints and Oils....	..	3	..	.....	187,800
Printing & Engraving	17	20	15	682,500	240,200
Milling & Bakers...	34	37	31	466,882	1,160,869
Leather, Shoes, &c.	16	10	10	\$24,146	590,900
Tobacco, &c.....	6	1	7	68,300	66,000
Glass, Earth'w'e, &c.	13	9	9	215,517	348,843
All Other.....	258	160	193	9,579,885	5,332,995
Total Mfg.....	520	425	461	\$20,586,117	\$13,868,613
Traders					
General Stores.....	66	83	68	\$1,151,146	\$844,500
Groc., Meat & Fish.	247	278	277	2,107,007	3,894,110
Hotels & Restaurants	100	100	103	5,922,479	1,002,000
Tobacco, &c.....	16	25	26	171,334	128,900
Clothing & Furish'g	201	215	155	3,340,976	2,386,800
Dry Goods & Carpets	87	90	61	1,662,340	3,088,914
Shoes, Rub. & Trunks	49	42	40	1,111,800	321,500
Furniture & Crockery	59	75	59	4,089,219	1,554,700
H'ware, Stov. & Tools	45	46	32	515,024	729,689
Chemicals & Drugs...	71	65	46	900,460	788,300
Paints & Oils....	15	8	8	113,600	108,700
Jewelry & Clocks...	48	24	28	689,006	468,750
Books & Papers....	19	21	5	163,400	371,820
Hats, Furs & Gloves	7	11	6	44,300	108,600
All Other.....	292	398	276	6,118,864	6,076,416
Total Trading....	1,322	1,481	1,190	\$28,091,055	\$21,571,609
Other Commercial...	141	122	101	12,320,681	4,886,195
Total U. S.....	1,983	2,028	1,752	\$60,997,853	\$39,826,417

Automobiles and accessories, July, 1931. Manufacturers, 7. Liabilities \$104,600; trading 81. Liabilities \$2,068,390; total of all 117. Liabilities \$2,687,004. Manufacturers include all branches of the industry; trading includes all accessories and filling stations, and the total also includes garages, bus lines, etc.

The liabilities last month were greatly above those of a year ago, nine of the fifteen manufacturing branches showing higher totals. Those which were lower were hats, gloves and furs, milling and bakers, leather, shoes and harness, and glass, earthenware and brick. In the cottons, lace and hosiery,

and paints and oils groups no liabilities were tabulated, owing to the fact that no failures occurred in either of these lines.

Defaults in Brokers' Group High

A large increase occurred in the hotel and restaurant class, and also in the class including furniture and crockery. Lower sums appear for defaults among grocers, meat and fish, dry goods and carpets, hardware, stoves and tools, books and papers, and hats, furs and gloves. The indebtedness for the insolvencies among agents, brokers, etc., which is quite high, swells the general percentage of increase to a great extent.

Week's Insolvencies Lower

The first week in August has brought to a sudden halt the uninterrupted increase in commercial insolvencies that characterized the movement during July. For the current week, according to the record compiled by R. G. Dun & Co., defaults in the United States number 476, which is 7 less than the 483 reported for the week preceding. When compared with the total for the same week of 1930, however, there is an increase of 9.2 per cent.

Continuing the trend of last week, the largest number of failures was set down for the East, a total of 181 taking the dominating position on the list. The West took second place, with a total of 119, which was 29 less than the number reported by that section last week. In fact, this district was the only one in which a decrease occurred in the number of failures.

Fewer Defaults Over \$5,000

Of the total of 476 insolvencies 299 had liabilities over \$5,000 in each instance. This is a slight decrease from the number that made up this class of insolvencies for the week ended July 30. It is an increase, however, of 27 over the 272, with liabilities in excess of \$5,000, set down for the comparative week of 1930.

The insolvency record of Canada also reveals a decrease. This week there were 42 failures, compared with 46 for the earlier period. The total of the current week is an increase of 3 over the 39 defaults reported to R. G. Dun & Co. for the same week a year ago.

SECTION	Week Aug. 6, 1931		Week July 30, 1931		Week July 23, 1931		Week Aug. 7, 1930	
	Over \$5,000	Total	Over \$5,000	Total	Over \$5,000	Total	Over \$5,000	Total
East	121	181	124	193	112	178	108	164
South	68	107	82	88	65	116	50	80
West	87	119	103	143	79	116	95	150
Pacific	48	69	24	54	31	65	24	58
U. S.....	299	476	303	483	287	469	272	452
Canada	27	42	22	46	15	34	26	39

TRADE REVIEW OF THE WEEK

Current Activity Centers Largely on Fall Preparatory Work—Textile and Shoe Trades Lead Industrial Gains

Preparation for Fall was the major element of activity in both wholesale and retail trades during the week. No expectations seem to be entertained for immediate or large gains in distribution, but there are indications that a forward movement of some proportions is anticipated. While retail sales volume is mainly lower, except for some lightweight wearing apparel and belated vacation requisites, this was to be expected following the practical completion of Summer buying and the pause that generally precedes the commencement of covering Fall requirements. Demand for the new styles of women's millinery has started, with retailers in some of the smaller cities ordering briskly.

"Sales" General

As a whole, distributive totals are making the best showing in the New England States and on the Pacific Coast. In the Middle West, there is a perceptible upturn in business, but the movement is slow. While retail business in the Chicago area is strong in volume, prevailing prices are extremely low. Clearance sales are bringing in much money, but, in general, they do not appear to be contributing substantially to profits. In many other sections, sales of Summer lines are also in progress, with the response fairly satisfactory, where price concessions are sufficiently attractive.

Fall Buying Progressing

The aggregate volume of Fall business is holding up closely to recent averages, and no general gain is expected until the month will have advanced further. In the ready-to-wear trades, commitments are more generous than they were a year ago, and producers show more confidence in bringing out numbers. The increased demand from retailers for clothing and wearing apparel has re-

sulted in a replenishment of below-normal stocks. In some cases, rush orders to textile mills for materials have found them unable to meet the immediate demand.

Downward revisions in prices in wholesale merchandise markets have become less numerous, and some listings are disclosing a firmer tendency. A few items already have been marked at higher

figures, chiefly furs, rugs and carpets. Several upward revisions also have been made on dress fabrics. Sales of woolen goods and worsteds at wholesale are running ahead of last year's record at this time, while movement of men's knitwear and hats about equals the 1930 showing.

Shoe Trade Busy

Where a decrease of more than seasonal proportions is noticeable in manufacturing operations, it usually is identified with some of the plants allied closely to the steel, automobile and building industries. For, shoe manufacturers have been more than holding their own, and lead all industries in betterment. The continued gain in the woolen branch of the textile industry is somewhat unusual for this time of the year, and dealers are anticipating substantially higher prices in the early Fall. Although cotton production is letting down slightly, consumption is reported to be maintaining a satisfactory level.

July Price Index Lower

After showing a gain of $\frac{1}{2}$ per cent. on July 1, as compared with the figure on June 1, Dun's Index Number of Wholesale Commodity Prices on August 1 shows that the decrease was resumed in July, with an aggregate decline of 0.7 per cent. The total index number on August 1 stood at \$145.598, compared with \$146.591 on July 1, \$145.885 on June 1, and \$169.352 on August 1, 1930.

DUN'S INDUSTRIAL INDICES

Factors Reported Weekly:

Dun Reports	1931	1930	P.C.
Bank Clearings.....	\$7,600,485,000	\$9,692,646,000	-27.2
Commodity Price Advances.....	19	34	...
Commodity Price Declines.....	39	38	...
Insolvencies (number).....	476	432	+ 9.2

Industrial Activity

†Crude Oil Output (barrels).....	2,500,650	2,515,300	-.50
Electric Power Output (kwh)....	*1,604,089	*1,678,327	-2.0
Freight Car Loadings.....	741,753	919,301	-19.3

Factors Reported Monthly:

Agriculture

‡Cotton Consumption (bales).....	455,388	405,236	+12.1
Cotton Exports (bales).....	255,403	185,053	+27.5

Dun Reports

Price Index Number.....	\$145.598	\$169.352	-14.2
Insolvencies (number).....	1,983	2,028	-2.2
Insolvencies (liabilities).....	\$60,997,853	\$39,826,417	+34.7

Foreign Trade

Merchandise Exports.....	\$187,000,000	\$294,701,000	-36.5
Merchandise Imports.....	176,000,000	250,343,000	-29.7

Industrial Activity

Building Permits.....	\$89,087,118	\$119,421,575	-25.4
Pig Iron Output (tons).....	1,463,320	2,639,537	-44.5
Steel Output (tons).....	1,091,853	2,075,414	-47.4
Unfilled Steel Tonnage.....	3,479,323	3,968,064	-12.3
†Daily average production. ‡Domestic consumption. *(000) omitted.			

CURRENT STATE OF THE GENERAL PAPER TRADE

Reduction in Tonnage Makes Less Unfavorable Showing than Dollar Volume with the 1930 Comparative Period

Gross paper sales at Boston for the first six months of 1931 show an unfavorable comparison with those of the same period in 1930, due principally to the fact that the paper trade was not among the first to feel the effects of the general depression. Sales maintained a good average until the latter half of 1930, and there has been no material improvement since.

Consequently, it is not surprising to find that the leading distributors report a drop in gross sales during the first half of the current year ranging from 12 to 25 per cent. below the 1930 comparative totals.

Kraft Paper Up

Trade handled in January and February in the Cincinnati district was disappointing, but pre-Easter movement of wrapping paper, bags and set-up boxes added materially to Spring sales. Since then business in this line has proceeded with a more even tenor, and following the Summer lull, evidence of moderate revival should appear.

A concerted

effort to strengthen the price of kraft and coarse grades of paper from low levels resulted in three distinct advances of 5 per cent. each in the last three months. However, a decline of 10 per cent. in quotations for fine paper used by printers and for writing purposes has occurred.

Newsprint Demand Constant

The paper industry in Baltimore is not in a satisfactory condition, although this line has been less adversely affected than some other trades. Current business, as a whole, is under the seasonal average, but the recession is not more than 8 per cent.

Demand for newsprint is fairly constant, but there has been a marked decline in sales of heavy

building papers. Turnover in wrapping paper, especially in kraft, has not fluctuated much, but cartons are not moving particularly well. Sales of paper bags are fairly satisfactory, and paper vessels are moving decidedly better than they did a month ago.

Sales Volume 20 Per Cent. Off

Jobbers and distributors of general paper stock in the St. Louis district report volume for the first six months about 20 per cent. below that for the same period in 1930, with prices averaging about 5 per cent. less.

Some paper products, particularly bags, have been in slightly increased demand, with prices firmer than they were a year ago. The outlook is for an unchanged condition the next few months.

Prices Stable

The paper trade in Portland, Ore., has been affected by the unsettled conditions in all other lines of business. The volume in June was

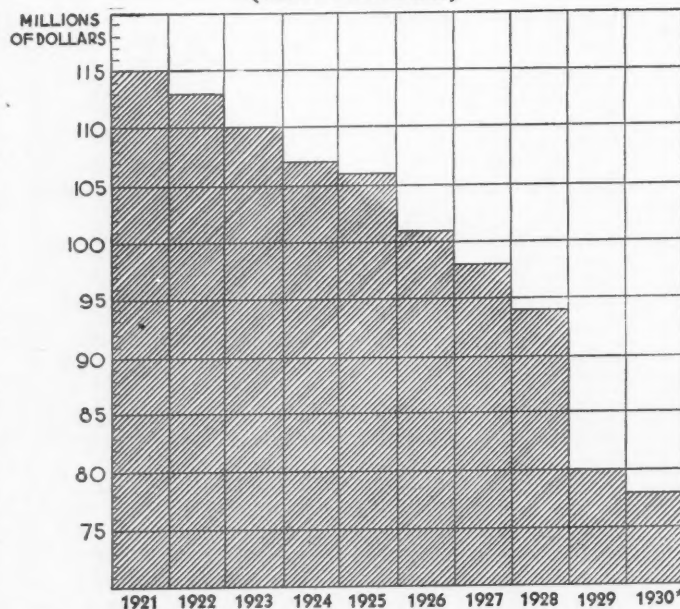
equal to that of the same month of 1930, but for the first five months of this year the turnover was less, and reports on July trade indicate a similar condition, with sales off about 10 per cent.

Mills Resuming Operations

Manufacturers of pulp and paper in Seattle report an unexpected trend toward an increase in the volume of business, and mills that have been closed down since June have resumed operations earlier than expected. Prices have been maintained at a fairly stable level.

Output of pulp and paper is reported to be about 80 per cent. of capacity. Manufactured articles, such as bags and wrapping paper, are moving in steady volume.

Value of Newsprint Production in the United States
(Sheets and Rolls)



* Estimated

The general paper trade was among the last to feel the effects of the general depression, but both production and sales now have reached a low level, with little likelihood of any marked recovery during the balance of the year.

COMMODITY PRICE INDEX FOR JULY LOWER

June Gain Not Held Due Largely to Weakness of Foodstuffs

After showing a gain of a fraction of 1 per cent. on July 1, compared with the figure on June 1, Dun's Index Number of Wholesale Commodity Prices for August 1 showed that the downward trend was resumed during July. The August 1 total of \$145,598 compared with \$146,591 on July 1, making a decline of \$000.993, or 0.7 per cent. Thus, the advance that was shown during the month of June was entirely lost during the month just closed, the price index now being at a lower point than the figure for June 1. In some measure, however, the reduction in the prices of some commodities at this time is entirely seasonal.

Foodstuff Prices Weaker

The loss during July was very largely due to the lower price of wheat, which appears in the index for breadstuffs. Corn also declined during the month, despite the rally during the closing week; but oats were higher. For meats there was a slight reduction during the month just closed, owing to the slightly lower prices for pork and some pork products. Dairy and garden products also show a slight decline, but other food products are higher owing mainly to a fractional advance in sugar. Coffee, on the other hand, shows a fractional loss during July. All food products reveal a decline of \$2.305, or 3.3 per cent.

For the clothing class the range of prices is somewhat higher on August 1 than for the corresponding date a month earlier. Cotton is lower, but for cotton goods the market was firm, while wool prices and woolen goods were higher. The advance in hides is also reflected in the higher average for this division. Metals show little change for the month just closed; also, the miscellaneous division, which is largely made up of building materials.

Monthly comparisons of Dun's Index Number of Wholesale Commodity Prices, follow:

		Bread-	Dairy & Other	Cloth-	Miscel-	
		stuffs.	Meat Garden.	Food.	Ing. Metals.	lanous. Total.
1929, Jan. 1..	32.673	24.620	21.690	19.596	35.658	21.348 36.780 192.368
Feb. 1..	34.899	24.697	22.059	19.497	35.138	21.392 36.572 194.168
Mar. 1..	34.589	24.420	22.354	19.450	35.137	21.558 36.789 194.247
Apr. 1..	33.663	24.057	20.940	19.376	35.066	21.798 36.786 191.596
May 1..	32.227	23.508	21.208	19.277	34.684	21.398 36.829 189.926
June 1..	29.671	23.236	21.145	19.227	34.509	21.297 36.780 185.856
July 1..	32.398	23.591	21.058	19.110	34.578	21.314 36.640 188.639
Aug. 1..	35.153	24.144	21.646	18.885	34.533	21.291 36.554 192.206
Sept. 1..	33.743	24.816	21.338	19.117	34.799	21.090 36.601 192.004
Oct. 1..	33.333	24.901	22.729	18.987	34.841	21.036 36.377 192.204
Nov. 1..	34.292	22.777	22.141	18.556	33.959	20.997 36.247 188.969
Dec. 1..	34.678	23.110	22.657	18.690	34.568	21.148 36.328 191.179
1930, Jan. 1..	34.292	22.777	22.141	18.556	33.959	20.997 36.247 188.969
Feb. 1..	33.801	22.622	21.618	18.238	33.297	20.943 35.994 186.513
Mar. 1..	32.608	22.873	21.136	18.447	32.760	20.796 35.806 184.426
Apr. 1..	32.297	22.180	20.085	18.202	32.015	20.558 35.602 180.939
May 1..	31.719	22.036	19.836	18.184	31.668	20.430 35.421 179.294
June 1..	30.484	22.084	19.959	18.107	31.447	20.286 35.369 177.736
July 1..	30.546	21.243	19.983	17.944	31.265	20.006 35.253 176.240
Aug. 1..	28.845	20.079	19.692	17.998	30.657	19.925 34.511 171.536
Sept. 1..	29.771	17.939	19.551	17.890	29.795	19.846 34.500 169.352
Oct. 1..	31.946	18.374	19.623	17.668	28.807	20.001 33.995 170.924
Nov. 1..	28.984	18.984	20.190	17.724	28.487	20.072 33.768 168.209
Dec. 1..	27.349	18.634	20.223	17.890	28.109	19.659 33.324 165.188
1931, Jan. 1..	27.026	19.057	18.978	17.688	27.703	19.571 32.997 163.020
Feb. 1..	25.368	19.841	18.071	17.378	27.019	19.351 32.691 159.719
Mar. 1..	25.244	17.670	16.949	17.554	26.702	18.348 32.572 156.039
Apr. 1..	24.501	16.749	16.884	17.342	26.498	18.322 32.250 153.546
May 1..	24.306	16.196	16.878	17.321	26.465	18.374 31.985 152.525
June 1..	23.621	15.673	15.893	17.379	26.168	18.919 31.866 149.419
July 1..	22.816	14.841	15.687	16.616	25.507	18.995 31.453 145.885
Aug. 1..	23.105	14.836	15.692	16.610	25.934	18.955 31.459 146.591
Sept. 1..	22.098	14.671	15.306	16.653	26.868	18.816 31.286 145.598

WOOL GOODS PREDOMINATE IN TEXTILE OUTPUT

Fall Distribution Progressing in Wholesale Channels

Textile production is less in cotton goods and silks, but is well maintained in wool goods, floor coverings and rayons. More activity is developing in the garment trades, and the clothing manufacturers are fairly busy. Fall distribution is late in getting started, but is showing moderate progress in wholesale channels.

Retailers continue to make short commitments, although their needs are becoming more pressing, and they are buying more in small lots. The seasonal expansion in the primary division is below normal thus far, with prospects of a decided quickening in the next few weeks. Job finishers are becoming busier.

Price Level More Even

The price movement in raw materials is steadier, save in cotton, where the trade awaits an initial government crop estimate and a condition report. In the course of the week, the lowest price on New York middlings quoted since 1914-1915 was

touched. Rayon shows signs of advancing on many specialties, and is firm on the more staple viscose fibers. Consumption is substantially above that of a year ago.

Raw silk has been steady to firm, and the monthly statistics were somewhat bullish, and would have had an uplifting price influence were it not for the many strikes in the industry here and the slow development of Fall merchandise movements. Wool has held steadier, and the industry is using more than for a long time.

Worsted Goods Lead Activity

The activity in worsted dress goods is the outstanding feature of the wool goods markets, and mill deliveries are complained of by many procrastinating buyers for the garment trades. Firmer prices are prevailing in jobbing channels. Tropical suitings for Summer, 1932, are being sold "at value" to cost not above 10 per cent. lower than last year, and some fair-sized orders have been taken.

August 8, 1931

BUSINESS CONDITIONS OF THE WEEK—REPORTED BY

BOSTON The information from the textile and leather industries throughout New England continues to be of a favorable nature, and manufacturing interests in most other lines report slight gains. Worsted yarns are active, with spinners booked ahead for two or three months. Prices are firm. Cotton yarns are moving in a very small way, and price concessions are reported in many instances.

Production of shoes continues to improve, and is centered chiefly in the production of the lower-priced lines, factories engaged in making women's shoes are particularly busy. Retail stocks are low and there is a general movement to replenish them. As a result of the increased activity on the part of the manufacturer a heavy demand for leather has developed and some of the cheaper grades are becoming scarce.

PHILADELPHIA Local retail trade is quiet, although there is a slightly upward trend. Department stores report that business will come close to the sales record of July last year. The low point in the wool trade seems to have been passed, and quotations and sales are on a definitely higher basis; domestic wools are in a strong position.

In the manufacturing trades, the demand for silk has improved, and the movement of women's coats is slightly larger. Piece goods are scarce and are being made up only to order. Fur prices have advanced slightly. Manufacturers of glazed kid state that small blacks and linings are moving well.

PITTSBURGH While the larger stores report the movement of merchandise to be holding up quite well, as compared with that of a year ago, the dollar value is down somewhat, owing to lower prices. There is a fair degree of activity in Summer merchandise, but jobbers report demand almost entirely for filling-in purposes, buying of Fall goods being comparatively light, as yet.

Industrial operations are showing comparatively little change. Production of crude oil showed a slight increase last week, but the closing of the Oklahoma wells is expected to reduce production this week to some extent. The second advance in prices paid to producers of Pennsylvania crude oil was made this week, the highest price now being \$1.95 a barrel; an advance of 15 per cent.

NEWARK Distribution at retail is holding up fairly well for this season of the year. High temperatures continue to stimulate demand for lightweight wearing apparel, with the emphasis rather placed on women's wear. Dealers adhere to the policy of frequent, if small, orders and inventories are low, as a rule.

ROCHESTER Retail merchants reduced prices earlier on Summer apparel this year, with

fair acceptance on low-priced merchandise. July building activity shows an improvement over that of July, 1930, primarily because of large public building program. Seven-month building permits statement issued for Rochester district registered a 20 per cent. gain over the figures for the corresponding period of 1930. Employment shows a slight improvement in shoe and men's clothing factories.

ST. LOUIS Business and industry are reported slightly below normal. Production in a number of important lines is showing a slight recession, while others are reported only fair. Some cheerfulness is expressed in the boot and shoe industry, while clothiers are expecting a fair volume of business during the following two weeks, at which time the convention will be under way.

LOUISVILLE Local retail activity continues to center around the special Summer clearance sales, which are meeting with a good response. Current sales are chiefly for light wearing apparel, vacation necessities and some agricultural implements. Wholesalers are handling a small number of mail orders, with preparations for Fall trade increasing.

Some of the furniture manufacturers are working on increased schedules, and there is more activity in the building trade, particularly on schools and government projects. Producers of medicinal spirits report sales and profits fully up to last year's record.

ATLANTA Midsummer retail sales of wearing apparel at low prices are quiet. Hardware and building material lines are dull. Wholesale flour and feed sales are less than for the first six months of this year. The peach crop is moving at unusually low prices.

MILWAUKEE The industrial situation, generally speaking, continues about the same, with a decline in some industries and an increase in others, notably leather, textiles and foodstuffs. Shoe manufacturers are doing a pretty good business, and have been operating for some months with an increased force, with good indications for continued activity.

The agricultural situation for the State varies. Some of the smaller grains are short, but against this the corn crop looks very well, although now in need of rain. The pea canners report a reduced pack, and farmers in these sections will take a loss. The canners, however, will be in a position to clear their stocks, including carry-overs from the previous year.

TOLEDO In wholesale shoes and dry goods, there has been a slight upturn in orders in the past two weeks, while in metal manufacturing lines there has been moderate progress. Automobile parts

DISTRICT OFFICES OF R. G. DUN & CO.

metal-stamping plants have orders for limited operation for the coming two months. Motor meter gauge manufacturers are operating on a five-day-week basis. Production of household electric appliances is stimulated somewhat by increased sales and orders.

CLEVELAND Trade continued at a fairly even tenor during the current week, the principal activity in merchandising being noted in the lines featuring Summer requirements. The general average of business in all lines continues dull. Wholesalers report demand principally confined to staple grades of goods.

CINCINNATI Trade conditions in general reflect only moderate uniformity, and evidence of recovery from seasonal dullness has not, as yet, appeared. However, definite improvement in sentiment is not lacking, augmented by more stability in prices of certain commodities.

A brief respite from the high temperatures of the previous week, with limited rainfall, has created a better feeling among consumers, and several of the leading department stores report a slight increase in sales. In the jobbing markets, purchases are confined principally to merchandise for immediate use.

DETROIT Retail trade slackened last week, indicating an average drop in sales for last month of $9\frac{1}{2}$ per cent. under their total for the corresponding period of last year. In the wholesale merchandise markets, Fall buying has commenced, but in smaller volume than was expected, especially in dry goods and wearing apparel. Sales of women's footwear are running about equal to those for the same period of last year or better.

OKLAHOMA CITY Wholesalers and jobbers report sales in decreased volume, and confined largely to seasonable commodities. Retail trade, with seven centers reporting, shows a decrease from June, 1930, sales of 39.6 per cent. Pay rolls, with 710 concerns reporting, showed a slight gain in June, over May, but a marked decrease over the figures of June, 1930.

Crop conditions are good, and production in all grain and feedstuffs will exceed the 1930 total by a good margin, but continued low prices interfere with expected liquidation from this source. Cotton conditions are reported good. Both wholesale and retail collections are reported slow and unsatisfactory.

KANSAS CITY Large houses handling lumber, building material and hardware report that volume during the past month did not change much from that of the month previous. Livestock receipts during the week show some increase over the previous week, without much change in price.

Flour business was a little stronger, and production was about the normal average. Grain receipts were smaller.

LOS ANGELES Both retail and wholesale trade reflect the usual Midsummer dullness, the principal activities being shown in special sales conducted by the larger stores. An average volume of trade is being maintained in furniture, drugs and grocery lines.

Engineering construction has evinced steady activity. The fishing for tuna has started, with a large fleet on the fishing grounds. Prices offered by the packers are 10 per cent. lower. Agricultural conditions are normal, with fair prices prevailing for most lines of commodities.

SAN FRANCISCO General business conditions in this district appear to be moving definitely upward. During the past week there has been an active campaign conducted by the large retail stores and women's specialty shops to stimulate sales by direct mail advertising and personal solicitation. The results have been satisfactory. Men's and women's shoes are moving at a more rapid rate than at any time in several weeks.

PORTLAND Staple lines are moving in fair volume in the retail and jobbing trades, but normal conditions are not expected before the end of Summer. The demand for farm labor has increased, with an adequate supply available in all localities. The expansion in highway construction has absorbed some idle labor. Emergency work to relieve unemployment has given part time labor to 2,500 men in this city.

Lumber production declined slightly during the week, but sales increased over 9,000,000 feet and were nearly 11 per cent. in excess of the output. Shipments gained 28,358,614 feet, causing a reduction of 17,216,062 feet in unfilled orders to 363,404,705 feet.

SEATTLE During the past week retail and installment buying has shown a slight improvement over the total previous weeks. In the retail field, part of this is due to the seasonal influx of tourist trade.

Activity in real estate is continuing to increase slightly, with the majority of inquiries for waterfront and residential properties. Inventories in the hands of retailers are markedly lower than they were last year, with the price level approximately 24 per cent. under that of a year ago. This had a tendency to stimulate trade, to some extent.

TORONTO Wholesale and jobbing volume is being derived from small orders, and Fall placings are comparatively light. Dry goods are moving slowly, except certain lines of seasonable goods, but boots and shoes are in steady demand.

WEEKLY QUOTATION RECORD OF

Advances Slightly More Numerous

Irregularity remains one of the chief characteristics of commodity markets, but Dun's list of wholesale quotations this week shows a narrowing of the excess of declines, advances during the

current week reaching 49 per cent. of the total alterations, as compared with only 32 per cent. for the week preceding. While 39 of a total of 58 changes were in an upward direction, there were 7 more advances than occurred last week, bringing the total up to 19.

	Ch'ge	This Week	Last Week	Last Year		Ch'ge	This Week	Last Week	Last Year
FOODSTUFFS									
BEANS: Pea, choice.....100 lb		4.50	4.50	6.75	FAS Plain Red Gum,				
Red kidney, choice..... " "		6.50	6.50	12.00	4/4".....per M ft.—1.50		80.00	81.50	102.00
White kidney, choice..... " "		6.00	6.00	9.50	FAS Ash 4/4".....		104.00	105.00	110.00
COFFEE: No. 7 Rio.....lb—%		5 1/2	5 1/2	7 1/2	FAS Poplar, 4/4", 7 to				
" Santos No. 4..... " —%		8 1/2	9	12	17".....		82.00	82.00	95.00
DAIRY:					Beech, No. 1 Common,				
Butter, creamery, extra.....lb + 1/4		25 1/4	25	37 1/4	4/4".....		48.00	50.00	50.00
Cheese, N. Y., fancy..... " "		14	14	24	FAS Birch, Red 4/4".....		100.00	105.00	120.00
Eggs, nearby, fancy.....doz		31 1/2	31 1/2	41	FAS Cypress, 4/4".....		82.50	82.50	87.50
Fresh, gathered, extra firsts..... " + 1 1/4		22 1/2	21	26	FAS Chestnut, 4/4".....		75.00	75.00	80.00
DRIED FRUITS:					No. 1 Com. Mahogany,				
Apples, evaporated, fancy.....lb		10 1/2	10 1/2	13	(African), 4/4".....		155.00	165.00	160.00
Apricots, choice..... " —3 1/2		11 1/2	14	12	FAS H. Maple, 4/4".....		80.00	84.00	90.00
Citron, imported..... " "		15	15	21	Canada Spruce, 2x4".....		30.00	31.00	35.00
Currents, cleaned, 50-lb. box..... " "		11 1/2	11 1/2	11 1/2	N. C. Pine, 4/4", Edge				
Lemon Peel, imported..... " "		16 1/2	16 1/2	14 1/2	Under 12" No. 2 and				
Orange Peel, imported..... " "		17	17	15 1/2	Better.....		42.00	42.00	46.50
Peaches, Cal. standard..... " "		7 1/4	7 1/4	10 1/2	Yellow Pine, 3x12".....		58.00	58.00	64.00
Prunes, Cal. 40-50, 25-lb. box..... " "		6	6	7 1/4	FAS Basswood, 4/4".....		76.00	76.00	79.00
FLOUR: Spring Pat.....196 lbs + 35		4.40	4.05	5.35	Douglas Fir, Water				
Winter, Soft Straights..... " + 5		3.10	3.05	4.35	Ship, c. l. f., N. Y.				
Fancy Minn. Family..... " "		5.60	5.60	6.80	2x4", 18 feet.....		23.00	22.50	25.25
GRAIN: Wheat, No. 2 R.....bu + 1		65 1/2	64 1/2	1.00 7/8	Cal. Redwood, 4/4".....				
Corn, No. 2 yellow..... " + 2 1/2		73 1/2	70 1/2	1.19 1/2	Clear.....		71.00	71.00	75.00
Oats, No. 3 white..... " "		33	33	49	North Carolina Pine				
Rye, No. 2, F.O.B..... " — 1/4		38 1/2	38 1/2	71 1/2	Roofers, 18/16x6".....		24.25	24.25	28.00
Barley, malting..... " + 1/4		57	56 1/2	77 1/2	NAVAL STORES: Pitch.....bbl		5.50	5.50	7.00
Hay, No. 1.....100 lbs		1.20	1.20	1.40	Rosin "B".....		4.00	4.35	5.40
HOPS: Pacific, Pr. '30.....lb		22	22	21	Tar, kiln burned.....		10.00	10.00	13.00
MOLASSES AND SYRUP:					Turpentine, carlots.....gal — 1/2		36	36 1/2	40 1/2
Blackstrap—bbls.....gal		10	10	17	PAINTS: Litharge, com'l Am. lb		13 1/4	13 1/4	8
Extra Fancy..... " "		54	54	60	Red Lead, dry.....100 "		13 1/4	13 1/4	9
PEAS: Yellow split, dom. 100 lbs		4.00	4.00	5.25	White Lead in Paste.....lb		13 1/4	13 1/4	13 1/4
PROVISIONS, Chicago:					" " dry..... " "		13 1/4	13 1/4	7 1/4
Beef Steers, best fat.....100 lbs — 25		8.25	8.50	11.40	Zinc, American..... " "		6 1/2	6 1/2	6 1/2
Hogs, 220-250 lb. w'ts..... " + 55		7.25	6.70	9.40	" F. P. R. S..... " "		9 1/2	9 1/2	9 1/2
Lard, N. Y., Mid. W..... " — 50		7.80	8.30	11.30	ADVANCES 1; DECLINES 10.				
Pork, mess.....bbl		21.75	21.75	30.50	HIDES AND LEATHER				
Lamb, best fat, natives.....100 lbs — 75		7.75	8.50	10.75	HIDES, Chicago:				
Sheep, fat ewes..... " — 50		3.00	3.50	3.00	Packer, No. 1 native.....lb		12	12	13 1/2
Short ribs, sides l'ce..... " — 1.00		7.50	8.50	13.75	No. 1 Texas..... " "		12	12	13 1/2
Bacon, N. Y., 140 down.....lb		11 1/2	11 1/2	15 1/2	Colorado..... " "		11 1/2	11 1/2	13
Hams, N. Y., 18-20 lb..... " — 1/4		13 1/4	13 1/4	18 1/4	Cows, heavy native..... " "		11 1/2	11 1/2	11 1/2
Tallow, N. Y., sp. loose..... " "		3 1/2	3 1/2	5 1/2	Branded cows..... " "		11	11	10 1/2
RICE, Dom. Long grain, Fancy, lb		6	6	6 1/4	No. 1 buff hides..... " — 1/4		8	8 1/4	8
Blue Rose, choice..... " "		3 1/2	3 1/2	4 1/2	No. 1 extremes..... " "		10	10	10
Foreign, Japan, fancy..... " "		3 1/2	3 1/2	4 1/2	No. 1 kip..... " "		9 1/2	9 1/2	11 1/2
SPICES: Mace, Banda No. 1, lb		52	52	65	No. 1 calfskins..... " "		10	10	12 1/2
Cloves, Zanzibar..... " "		20	20	28 1/2	Chicago city calfskins..... " — 1/2		12 1/2	13 1/2	16 1/2
Nutmegs, 1055-1105..... " "		16	16	19	LEATHER:				
Ginger, Cochon..... " "		8 1/2	8 1/2	16	Union backs, t.r.....lb — 1		34	35	39
Pepper, Lampong, black..... " — 1/4		12	12 1/2	17 1/2	Scoured oak-backs, No. 1..... " — 1		38	39	45
" Singapore, white..... " "		18	18	24 1/2	No. 2 butt bends..... " — 2		52	54	60
" Mombasa, red..... " "		20	20	18	ADVANCES 0; DECLINES 6.				
SUGAR: Cent. 96.....100 lbs — 5		3.50	3.55	3.22	TEXTILES				
Fine gran., in bbls..... " "		4.75	4.75	4.60	BURLAP, 10 1/2-oz. 40-in.....yd — %		5 1/2	5 1/2	6
TEA: Formosa, standard.....lb		12	12	12	8-oz. 40-in..... " "		4	4	4 1/2
Japan, basket fired..... " "		22	22	28	COTTON GOODS:				
Congou, standard..... " "		12	12	14	Brown sheetings, stand.....yd — 1/4		6 1/2	6 1/2	10
VEGETABLES: Cabbage (Jersey)					Wide sheetings, 10-4..... " "		46	46	56
bakt..... " "		50	50	50	Bleached sheetings, stand..... " "		15 1/2	15 1/2	17
Onions, Jersey, Yel.....bakt. — 15		50	65	70	Medium..... " "		10 1/2	10 1/2	10 1/2
Potatoes, L. I.....bbl — 25		2.00	2.25	2.00	Brown sheetings, 4 yd..... " "		5 1/2	5 1/2	7 1/2
Turnips, Can., Rutabaga.....bag + 25		1.00	75	1.25	Standard print..... " "		7 1/2	7 1/2	8
ADVANCES 9; DECLINES 14.					Brown drills, standard..... " "		7 1/2	7 1/2	10 1/2
BUILDING MATERIALS					Staple gingham..... " "		7	7	10
Brick, N. Y., delivered.....1000		10.50	10.50	15.00	Print cloths, 38 1/2-in. 64x60..... " "		4 1/2	4 1/2	5 1/4
Portland Cement, N. Y., Trk.					Hose, belting, duck..... " "		21 1/2	21 1/2	30
loads, delivered.....bbl		1.66	1.66	2.60	HEMP: Midway, Fair Current.....lb		5 1/2	5 1/2	9 1/2
Chicago, carloads..... " "		1.85	1.85	1.95	JUTE: first marks..... " "		3 1/2	3 1/2	4 1/4
Philadelphia, carloads..... " "		2.35	2.35	2.50	RAYON:				
Lath, Eastern spruce.....100		3.65	3.65	4.25	Den. Fil.				
Lime, hyd., masons, N. Y.....ton		13.00	13.00	14.00	a 150 22-32..... " "		75	75	95
Shingles, Cyp., Pr. No. 1.....1000		10.00	10.00	13.00	b 150 40..... " "		1.60	1.60	1.60
Red Cedar, Clear, rail..... " — 31		3.20	3.51	3.96	a Viscose Process, b. Cellulose				
LUMBER:					Acetate.				
White Pine, No. 1 Barn,					SILK: Italian Ex. Clas.....lb		12.42	12.42	3.35
1x4".....per M ft.		54.50	54.50	60.00	Japan, Extra Crack..... " "		2.60	2.60	3.05
FAS Quartered Wh. Oak,					WOOL, Boston:				
4/4"..... " "		154.00	154.00	154.00	Average, 25 quot.....lb + 24		39.84	39.60	48.72
FAS Plain Wh. Oak,					Ohio & Pa. Fleeces..... " "		25	25	30
4/4"..... " "		115.00	115.00	110.00	Delaine Unwashed..... " "		24	24	30
					Half-Blood Combing..... " "		20	20	30
					Half-Blood Clothing..... " "		17	16	24
					Common and Braid..... " "				

WHOLESALE COMMODITY PRICES

The better showing this week was the result largely of a recovery in grain and dairy products, and a further strengthening in some of the items in the provisions group. There was a further recession in some of the building materials, and lower revisions in a few of the hide quotations.

In the textile group, the strength of wool continues the dominating feature. Silks and rayons were fairly constant, but cotton goods were weaker. Some of the advances were contributed by coal, in the 20c. mark-up in the price of the various grades of anthracite; bituminous was unchanged.

	Ch'ge	This Week	Last Week	Last Year		Ch'ge	This Week	Last Week	Last Year
Mich., and N. Y. Fleeces:					Sarsaparilla, Honduras.....lb	42	42	48	
Delaine Unwashed.....lb	23	23	27		Soda ash, 58% light.....100 "	1.15	1.15	1.32	
Half-Blood Combing..... "	22	22	27		Soda benzoate..... "	40	40	50	
Half-Blood Clothing..... "	20	20	25		ADVANCES 1; DECLINES 2.				
Wis., Mo., and N. E.:					METALS				
Half-Blood..... "	20	20	25		Pig Iron: No. 2X, Ph.....ton	17.01	17.01	19.76	
Quarter-Blood..... "	20	20	28		No. 2 valley furnace..... "	17.00	17.00	18.00	
Southern Fleeces:					Bessemer, Pittsburgh..... "	18.78	18.78	20.26	
Ordinary Mediums..... "	19	19	26		No. 2 South Cincinnati..... "	14.69	14.69	16.69	
Ky., W. Va., etc.; Three-eighths					Billets, rerolling, Pittsburgh..... "	20.00	20.00	31.00	
Blood Unwashed..... "	25	25	33		Forging, Pittsburgh..... "	35.00	35.00	36.00	
Quarter-Blood Combing..... "	24	24	33		Wire rods, Pittsburgh..... "	35.00	35.00	36.00	
Texas, Scoured Basis:					O-h rails, hy., at mill..... "	43.00	43.00	43.00	
Fine, 12 months..... "	58	58	73		Iron bars, Chicago.....100 lb	1.70	1.70	1.75	
Fine, 8 months..... "	50	50	68		Steel bars, Pittsburgh..... "	1.60	1.60	1.65	
California, Scoured Basis:					Tank plates, Pittsburgh..... "	1.60	1.60	1.65	
Northern..... "	51	51	65		Shapes, Pittsburgh..... "	1.60	1.60	1.65	
Southern..... "	46	46	60		Sheets, black No. 24, Pitts-				
Oregon, Scoured Basis:					burgh..... "	2.40	2.40	2.45	
Fine & F. M. Staple..... "	60	60	73		Wire Nails, Pittsburgh..... "	1.80	1.80	2.05	
Valley No. 1..... "	52	52	67		Barb Wire, galvanized,				
Territory, Scoured Basis:					Pittsburgh..... "	2.55	2.55	2.80	
Fine Staple Choice..... "	61	61	75		Galv. Sheets No. 24, Pitts-				
Half-Blood Combing..... "	55	55	70		burgh..... "	2.90	2.90	3.10	
Fine Clothing..... "	58	58	65		Coke, Connellsville, oven.....ton				
Pulled: Delaine..... "	70	70	80		Furnace, prompt ship..... "	2.40	2.40	2.50	
Fine Combing..... "	68	68	67		Foundry, prompt ship..... "	3.50	3.50	3.50	
Coarse Combing..... "	43	43	47		Aluminum, pig (ton lots).....lb	23	23	23	
California A.A..... "	65	65	75		Antimony, ordinary..... "	6 1/2	6 1/2	7 1/2	
WOOLEN GOODS:					Copper, Electrolytic..... "	7 1/2	7 1/2	11	
Standard cheviot, 14-oz.....yd	1.30	1.30	1.46		Zinc, N. Y..... "	4 1/2	4 1/2	4 1/2	
Serge, 11-oz..... "	1.65	1.65	1.80		Lead, N. Y..... "	4 1/2	4 1/2	5 1/2	
Serge, 16-oz..... "	2.28	2.28	2.31		Tin, N. Y..... "	24 1/2	24 1/2	30 1/2	
Fancy cassimere, 13-oz..... "	1.82 1/2	1.82 1/2	2.35		Tinplate, Pittsburgh, 100-lb. box	5.00	5.00	5.25	
36-in. all-worsted serge..... "	45	45	52 1/2		ADVANCES 1; DECLINES 2.				
36-in. all-worsted Pau..... "	45	45	51 1/2		MISCELLANEOUS				
Broadcloth, 54-in..... "	2.80	2.80	3.75		COAL: f.o.b. Mines.....ton				
ADVANCES 1; DECLINES 2.					Bituminous:				
DRUGS AND CHEMICALS					Navy Standard..... "	2.15	2.15	2.10	
Acetanilid, U.S.P., bbls.....lb	36	36	36		High Volatile, Steam..... "	1.25	1.25	1.25	
Acid, Acetic, 28 deg.....100 "	2.60	2.60	3.11		Anthracite, Company:				
Carbolic, cans..... "	17	17	17		Stove..... "	+20	7.80	7.60	9.00
Citric, domestic..... "	37 1/2	37 1/2	46		Egg..... "	+20	7.55	7.35	8.50
Muriatic, 18.....100 "	1.00	1.00	1.00		Nut..... "	+20	7.55	7.35	8.50
Nitric, 52..... "	6.50	6.50	6.50		Pea..... "	+20	5.55	5.35	4.70
Oxalic, spot..... "	10 1/2	10 1/2	11 1/2		DYESTUFFS—Bi-chromate				
Sulphuric, 60.....100 "	55	55	55		Potash, am.....lb	8 1/2	8 1/2	9	
Tartaric crystals..... "	31 1/2	31 1/2	35 1/2		Cochineal, silver..... "	52	52	60	
Fluor Spar, acid, 98%.....ton	38.50	38.50	38.50		Cutch, Rangoon..... "	10 1/2	10 1/2	10	
Alcohol, 190 proof U.S.P.....gal	2.37	2.37	2.55 1/2		Gambler, Plantation..... "	7 1/2	7 1/2	7 1/2	
" wood 95%..... "	44	44	50		Indigo, Madras..... "	1.25	1.25	1.25	
" denatured, form 5.....lb	22	22	39		Prussiate potash, yellow..... "	18 1/2	18 1/2	18 1/2	
Alum, lump..... "	3.25	3.25	3.50		FERTILIZERS:				
Ammonia, anhydrous..... "	15 1/2	15 1/2	15		Bones, ground steamed, 1 1/4,				
Arsenic, white..... "	4	4	4		am., 60% bone phosphate,				
Balsam, Copaliba, S. A..... "	20	20	28		Chicago.....ton	25.00	25.00	28.50	
Fir, Canada.....gal	10.00	10.00	11.00		Muriate potash 80%..... "	37.15	37.15	37.15	
Peru..... "	1.50	1.50	1.70		Nitrate soda.....100 lbs	2.05	2.05	1.99	
Bicarbonate Soda, Am.....100 lbs	2.64	2.64	2.25		Sulphate ammonia, do-				
Bleaching powder, over					mestic, delivered..... "	1.60	1.60	1.85	
34%..... "	2.00	2.00	2.00		Sulphate potash ba. 90%.....ton	48.25	48.25	48.25	
Borax, crystal, in bbl.....lb	2 1/2	2 1/2	2 1/2		OILS: Coconut, Spot, N. Y.....lb- 1/2	4 1/2	4 1/2	6 1/2	
Brimstone, crude domestic.....ton	18.00	18.00	18.00		China Wood, bbls. spot..... "	7 1/2	7 1/2	9 1/2	
Calomel, American.....lb	1.82	1.82	2.05		Cod, Newfoundland.....gal+2	42	40	60	
Camphor, slabs..... "	53	53	58		Corn, crude Mill.....lb	6 1/2	6 1/2	7	
Castile Soap, white.....case	15.00	15.00	15.00		Cottonseed, spot..... "	6 1/2	6 1/2	8	
Castor Oil No. 1.....lb	10 1/2	10 1/2	11 1/2		Lard, Extra, Winter st..... "	8 1/2	8 1/2	11	
Caustic Soda, 76%.....100 "	2.25	2.25	2.95		Linseed, city raw, carlots..... "	8 1/2	8 1/2	13 1/2	
Chlorate potash..... "	8	8	8		Neatsfoot, pure..... "	9 1/2	9 1/2	13	
Chloroform, U.S.P..... "	25	25	27		Rosin, first run.....gal	50	50	61	
Cocaine, Hydrochloride.....oz	8.50	8.50	8.50		Soya-Bean, tank, cars, M. W.....lb	6	6	8 1/2	
Cream tartar, domestic.....lb	23 1/2	23 1/2	25 1/2		Petroleum, Pa., cr., at well.....bbl+35	1.50	1.15	1.92 1/2	
Epsom Salts.....100 lbs	2.25	2.25	2.25		Kerosene, wagon, delivery.....gal	17	17	15	
Formaldehyde..... "	6	6	8 1/2		Gas'e auto in gar., st. bbls..... "	13 1/2	13 1/2	14 1/2	
Glycerine, C. F. in drums..... "	12 1/2	12 1/2	13		Wax, ref. 125 m. p.....lb	3 1/2	3 1/2	3 1/2	
Gum-Arabic, Amber..... "	9	9	15		PAPER: Newsroll Contract.....				
Benzoin, Sumatra..... "	29	29	31		Book, S. & S. C.....lb	57.00	57.00	62.00	
Gamboge, pipe..... "	75	75	1.00		Writing, tub-sized..... "	5 1/2	5 1/2	6	
Shellac, D. C..... "	38	38	47		No. 1 Kraft..... "	10	10	10	
Tragacanth, Aleppo 1st..... "	1.35	1.35	1.35		No. 1 Kraft..... "	4 1/2	4 1/2	5 1/2	
Licorice Extract..... "	18	18	18		Sulphite, Domestic, 5L.....100 "	2.25	2.25	3.00	
Powdered..... "	33	33	33		Old Paper No. 1 Mix..... "	20	20	22	
Menthol, Japan, cases.....+5	3.35	3.30	4.00		PLATINUM.....				
Morphine, Sulp., bulk.....oz	7.95	7.95	8.95		RUBBER: Up-River, fine.....lb- 1/2	38.00	38.00	52.00	
Nitrate Silver..... "	22 1/2	22 1/2	27 1/2		Plan. 1st Latex, crude..... "	8 1/2	8 1/2	13	
Nux Vomica, powdered.....lb	8	8	8		Plan. 1st Latex, crude..... "	6	6 1/2	10 1/2	
Opium, jobbing lots..... "	12.00	12.00	12.00		ADVANCES 6; DECLINES 4.				
Quicksilver, 75-lb. flask.....-7.00	96.00	103.00	119.00		TOTAL ADVANCES.....				
Quinine, 100-oz. tins.....oz	40	40	40		TOTAL DECLINES.....				
Rochelle Salts.....lb-1	18	19	19			19	12	34	
Sal ammoniac, lump, imp..... "	10 1/2	10 1/2	10 1/2			39	37	38	
Sal soda, American.....100 "	90	90	90						
Saltpetre, crystals..... "	7 1/2	7 1/2	7 1/2						

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NATIONAL MONEY AND CREDIT CONDITIONS

Increase in the Demand for Loans is Confined to Agricultural Districts
—General Collections Slightly Better

MONEY MARKETS

In Eastern Sections

Boston The New England member banks of the Boston Federal Reserve Bank have been increasing steadily their ease in position. The reserve ratio during the week decreased from 83.3 to 82.6 per cent. There has been a slight reduction in the quotations for acceptances.

Philadelphia The demand for loans still is light, and the commercial paper market is inactive. Call money holds at 4 per cent., though quoted on the outside at 3 per cent. Commercial paper is 2 to 2½ per cent. Commercial borrowers are being accommodated at rates ranging from 4½ to 6 per cent.

In South and Southwest

St. Louis Counter demands are reported as being light, with supply of funds excessive. Commercial loans are reported at 4 to 6 per cent., with prime commercial paper 2 to 5 per cent. Cattle loans range from 5 to 6 per cent.

Atlanta Money continues easy, with demand light for commercial loans. Interest rates average from 4 to 6 per cent.

Dallas Commercial loan requirements still are slow, and bank deposits remain on a steady level for this season of the year. Rates continue favorable and unchanged.

In Western Sections

Cleveland The demand for important loans continues light, with interest rates comparatively easy. The weekly report of the local Federal Reserve Bank showed a further drop in the volume of debits to individual accounts.

Cincinnati The local money market continues quiet, with demand from brokers limited. Rates for this class of paper average 4 to 4½ per cent. Commercial loans are on a basis of 5 to 6 per cent., according to the account.

Kansas City Banks report that demand for loans was a little heavier during the week, because of agricultural requirements. Prime loans range from 4 to 5 per cent., but the general average is 5 to 6 per cent.

COLLECTION CONDITIONS

In Eastern Districts

Philadelphia Collections in the retail trade have improved, but they continue slow with manufacturers.

Boston General collections are classed as fairly good, but there has been some slowing down in payments in the automobile trade.

Newark The greatest improvement in collections is being noted in retail branches and installment accounts.

Pittsburgh Some merchants report collections slightly better, but the average continues slow.

Buffalo Installment accounts are being paid more promptly, but open accounts are slow.

In South and Southwest

St. Louis Collections are reported slow and unchanged by jobbers and manufacturers, and fair by retailers.

Baltimore Collections continue subnormal for the season, with most lines reporting slowness.

Atlanta In both the wholesale and retail trades, collections continue slow and draggy.

Dallas The average of wholesale collections is fairly satisfactory, but retailers report no improvement.

Jacksonville Collections in agricultural districts are slower than in urban centers.

In Western Districts

Chicago Collections continue slow even in those quarters where pressure is being used.

Cincinnati Collections have improved very slightly, but considerable urging is necessary to obtain remittances.

Cleveland About half of the mercantile accounts are being taken care of within terms; the balance are running slow.

Toledo Although there has been a slight improvement, collections still are slow in many quarters.

Omaha Outstanding retail accounts are being paid slowly, and wholesale collections are lagging.

Denver Collections are classed as slow by the majority of reporting accounts.

Oklahoma City Collections, as a whole, continue unsatisfactory at both wholesale and retail.

Los Angeles There has been a slight betterment in collections, with the average fair to slow.

Seattle Installment collections are fairly good, but wholesale and retail remittances are slow.

Canada

Toronto Although better than they were a week ago, collections still average slow to fair.

COURSE OF INTERNATIONAL MONEY MARKETS

Domestic Money Rates Continue Firm in Face of Light Demand, but
Foreign Exchanges Move Erratically—Bank Clearings Up

Money quotations in the New York market ruled with marked steadiness in the face of the numerous disturbing developments of international finance. With the greatest stocks of gold in history now possessed by the United States, foreign incidents had little effect on money rates. Funds were available in abundance throughout the week, while demand remained exceedingly small.

The sums recently called home from Central Europe have added to the aggregate of money available here and any hardening of the market has become just that much more remote. Indicative of the market trend was the brokers' loan report of the Stock Exchange for July, which showed that \$47,000,000 in loans were repaid notwithstanding the small charges now current.

Sterling Fluctuates Violently

Foreign exchanges presented a most confused aspect, with credit arrangements clearly turning several important currencies from their ordinary courses. The persistent weakness in sterling, as compared not only with the dollar but with the major Continental currencies, was followed by the announcement last Saturday, that a \$250,000,000 credit had been extended the Bank of England in equal portions by the Bank of France and the Federal Reserve Banks. Sterling rallied sharply on this development and held up well in the early sessions of the present week, but a sudden sinking spell appeared Wednesday and the exchange dropped below the point at which metal could profitably be exported from London to New York, Paris, Amsterdam and Berne. It was widely hinted that the drop was due to differences between the French and British central banks, which were followed by a refusal of the Bank of England to make use of the credit. With such reports circulating, weakness of the British currency unit followed as a matter of course.

European Exchanges Lower

Although most European currencies were firm early in the week, general softness developed in the mid-week period owing to the dominating influence of sterling. French francs, guilders, lire, pesetas and the Scandinavian currencies all dropped, with Swiss francs the only exception to the trend. Some recovery followed Thursday. German marks were quoted nominally at 23.70 all week, as the currency was under the rigorous control of the German central bank throughout. A shipment of \$11,000,000 in German gold was received late last week, clearly as a special transaction.

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Daily closing quotations of foreign exchange
(bankers' bills) in the New York market follow:

	Fri. July 31	Sat. Aug. 1	Mon. Aug. 3	Tues. Aug. 4	Wed. Aug. 5	Thurs. Aug. 6
Sterling, checks...	4.85 1/2	4.85 1/2	4.85 1/2	4.85 1/2	4.84 1/2	4.85 1/2
Sterling, cables...	4.85 1/2	4.85 1/2	4.85 1/2	4.85 1/2	4.85 1/2	4.85 1/2
Paris, checks...	3.91 1/2	3.91 1/2	3.92 1/2	3.91 1/2	3.91 1/2	3.91 1/2
Paris, cables...	3.92 1/2	3.92 1/2	3.92 1/2	3.92 1/2	3.92 1/2	3.91 1/2
Berlin, checks...	23.74	23.72 1/2	23.72 1/2	23.72 1/2	23.74	23.74
Berlin, cables...	23.76	23.74 1/2	23.74 1/2	23.75 1/2	23.76	23.75
Antwerp, checks...	13.95 1/2	13.95 1/2	13.95 1/2	13.95 1/2	13.93 1/2	13.93 1/2
Antwerp, cables...	13.96 1/2	13.96 1/2	13.96 1/2	13.96 1/2	13.93 1/2	13.94 1/2
Lire, checks...	5.22 1/2	5.22 1/2	5.23	5.22 1/2	5.22 1/2	5.22 1/2
Lire, cables...	5.23 1/2	5.23 1/2	5.23 1/2	5.23 1/2	5.23	5.23
Swiss, checks...	19.49 1/2	19.50	19.50	19.50 1/2	19.53 1/2	19.52 1/2
Swiss, cables...	19.50 1/2	19.50 1/2	19.50 1/2	19.51	19.54	19.52 1/2
Guilders, checks...	40.29 1/2	40.29 1/2	40.32 1/2	40.32	40.27 1/2	40.30
Guilders, cables...	40.32	40.32	40.34	40.33 1/2	40.31 1/2	40.32 1/2
Pesetas, checks...	9.01	9.03	9.02 1/2	8.94 1/2	8.78 1/2	8.61
Pesetas, cables...	9.01 1/2	9.03 1/2	9.03	8.95	8.79	8.62
Denmark, checks...	26.73	26.73 1/2	26.73 1/2	26.74	26.69	26.71
Denmark, cables...	26.74	26.74 1/2	26.74 1/2	26.75	26.70	26.72
Sweden, checks...	26.75	26.75	26.75	26.76	26.71	26.74
Sweden, cables...	26.76	26.76	26.76	26.77	26.72	26.75
Norway, checks...	26.73 1/2	26.74	26.74	26.75	26.69	26.72
Norway, cables...	26.74 1/2	26.75	26.75	26.76	26.70	26.73
Greece, checks...	1.29 1/2	1.29 1/2	1.29 1/2	1.29 1/2	1.29 1/2	1.29 1/2
Greece, cables...	1.29 1/2	1.29 1/2	1.29 1/2	1.29 1/2	1.29 1/2	1.29 1/2
Portugal, checks...	4.44	4.44	4.44	4.45	4.45	....
Portugal, cables...	4.45	4.45	4.45	4.46	4.46	....
Australia, checks...	5.72 1/2	5.72 1/2	5.72 1/2	5.72 1/2	5.72 1/2	....
Australia, cables...	5.73 1/2	5.73 1/2	5.73 1/2	5.73 1/2	5.73 1/2	....
Montreal, demand...	99.68	99.77	99.78	99.81	99.82	99.74
Argentina, demand...	29.75	29.70	29.60	29.20	28.20	28.70
Brazil, demand...	7.00	7.00	7.00	6.75	6.70	6.75
Chile, demand...	12.10	12.08	12.10	12.08	12.08	12.03
Uruguay, demand...	50.00	46.50	46.50	45.00	42.00	42.25

Bank Clearings Reveal Moderate Gain

Bank clearings in foremost cities of the United States are larger this week than last in nearly every instance, a total of \$7,060,485,000 being shown. This is probably due to the first of the month settlements which tend to swell the aggregate for the period. New York City is always particularly affected by this upward monthly trend, as is noted in the higher level of \$4,707,600,000 attained this week in the Metropolitan District.

Comparison with last year's figures, however, reveals a continued marked decline in each city reporting, with the exception of Baltimore, where an advance of 1.3 per cent. appears.

Bank clearings for the week, as reported to R. G. Dun & Co. and average daily bank clearings for the year to date are compared herewith:

	Week Aug. 7, 1931	Week Aug. 7, 1930	Per Cent.	Week Aug. 8, 1929
Boston	\$460,000,000	\$481,000,000	-4.4	\$521,000,000
Philadelphia	423,000,000	511,000,000	-17.2	579,000,000
Baltimore	101,536,000	109,242,000	+ 1.3	142,305,000
Pittsburgh	129,953,000	167,201,000	-22.3	202,118,000
Buffalo	36,884,000	46,674,000	-21.0	68,197,000
Chicago	337,907,000	653,123,000	-48.3	803,290,000
Detroit	119,912,000	153,404,000	-21.2	201,680,000
Cleveland	95,558,000	119,397,000	-20.0	143,360,000
Cincinnati	48,600,000	50,651,000	-4.0	70,861,000
St. Louis	84,000,000	106,600,000	-21.2	127,700,000
Kansas City	81,109,000	123,400,000	-34.3	173,600,000
Omaha	32,565,000	42,164,000	-22.7	51,356,000
Minneapolis	58,741,000	79,406,000	-26.0	107,092,000
Richmond	28,588,000	38,498,000	-25.7	42,946,000
Atlanta	31,000,000	37,635,000	-17.6	51,069,000
Louisville	25,674,000	32,583,000	-21.2	34,087,000
New Orleans	38,980,000	37,704,000	+ 3.9	45,927,000
Dallas	28,491,000	33,268,000	-14.4	46,115,000
San Francisco	140,300,000	172,300,000	-18.6	192,500,000
Portland	26,767,000	32,833,000	-18.6	39,775,000
Seattle	28,329,000	37,578,000	-24.9	50,369,000
Total	\$2,382,885,000	\$3,056,646,000	-23.0	\$3,695,197,000
New York	4,707,600,000	6,636,000,000	-29.1	9,220,000,000
Total All	\$7,060,485,000	\$9,692,646,000	-27.2	\$12,915,197,000
Average daily:				
August to date...	\$1,176,747,000	\$1,615,449,000	-27.0	\$2,239,271,000
July	1,237,455,000	1,677,199,000	-22.5	2,165,063,000
June	1,402,807,000	1,853,151,000	-24.2	1,958,098,000
May	1,410,616,000	1,725,622,000	-18.3	1,992,399,000
April	1,457,562,000	1,859,118,000	-21.8	1,936,148,000
First Quarter...	1,404,600,000	1,799,904,000	-22.0	2,216,714,000

Stock Market Reacts

Stock prices in the New York market drifted lower this week, with trading at the slowest pace since the crash of 1929. Movements were small, and were influenced as much by the various developments in the European financial crisis as by domestic incidents. A wavering tendency prevailed at almost all times, with slight advances of one day offset by modest declines on the day following.

Net changes in this process were not especially important, but in most groups of stocks somewhat lower quotations resulted. Rumors of prospective dividend reduction in American Telephone, apparently groundless, upset this issue in the mid-week session. Steel stocks dropped slowly on the continued inactivity of the industry.

Daily transactions in stocks and bonds on the New York Stock Exchange compare with last year as follows:

Week Ending Aug. 6, 1931	Stocks		Bonds	
	This Week	Last Year	This Week	Last Year
Friday	1,200,000	1,090,210	\$8,832,000	\$6,725,300
Saturday	388,200	366,100	4,258,000	2,793,000
Monday	900,000	1,201,800	6,133,000	5,774,000
Tuesday	700,000	1,221,500	8,908,000	8,623,000
Wednesday	800,000	1,317,400	8,985,000	7,614,000
Thursday	900,000	1,450,900	8,745,000	7,312,000
Total	4,898,200	6,647,910	\$44,781,000	\$38,841,300

Steel Output Unchanged

Steel finishing schedules still lack regularity, but at several points schedules have improved slightly. Over recent weeks, however, the shift has been only a point or two. The average ingot output is placed at 30 to 32 per cent. Semiannual statements on earnings lend support to the stand that prices are too low, and quotations consequently are firmer than for some time.

The trade is not assured that operations over August will continue to gain, particularly as automobile construction will be much curtailed; but the hope is held that conditions may gradually become more stabilized. Stocks with consumers are reported on a closer basis, shipments being largely against strictly current requirements. With primary materials, the situation is somewhat uneven, the scrap market gaining in strength, though fuel and pig iron have not recovered in any degree.

Leather Demand Slower

Volume of trading reported out of Boston and New York leather markets has slowed down a little, as compared with recent activity; but, against trading prior to the resumption of business last month, business is relatively much improved. Deliveries on leather previously purchased are urgently solicited, which would indicate that buyers are shorter of material than was generally believed.

Sales continue to be made at better rates in sole leather, though volume is somewhat less than it was a few weeks back. In upper leathers, kid seems to stand out as a leader. On upper leathers, as a whole, the better grades lag, which fits in with

reports of the activity in shoes centering in low-priced merchandise. As opposed to unsettling outside influences, the domestic packer market has held steady and unchanged. Country hides have been softening, but stocks are light, and not all dealers will take the inside rates.

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Grain Prices Lower

Demoralizing marketing conditions abroad during much of the week had their effect on grain prices on the Chicago Board of Trade, and quotations worked steadily lower. Contributing to the domestic weakness was the arrival of needed rains in the corn belt and certain of the Spring wheat sections.

The United States visible supply of grains for the week, in bushels, was: Wheat, 212,674,000, up 6,363,000; corn 8,183,000, up 1,370,000; oats, 7,392,000, up 903,000; rye, 9,070,000, off 167,000; barley, 3,426,000, off 31,000.

Daily closing quotations of grain options in the Chicago market follow:

	Fri. July 31	Sat. Aug. 1	Mon. Aug. 3	Tues. Aug. 4	Wed. Aug. 5	Thurs. Aug. 6
WHEAT:						
September	50 1/4	50 1/4	49 1/4	49 1/4	48 1/4	47 1/4
December	54 1/4	54 1/4	54	53 3/4	52 1/4	51 1/4
March .....	..	57 1/4	56 1/4	56 1/4	55	54 1/4
CORN:						
September	50 1/4	53 1/4	52 1/4	52 1/4	51 1/4	50 1/4
December	43 1/4	43 1/4	43 1/4	43 1/4	41 1/4	40 1/4
March .....	..	..	45 1/4	45 1/4	44 1/4	42 1/4
OATS:						
September	23 1/4	23 1/4	22 1/4	22 1/4	21 1/4	21 1/4
December	25 1/4	26 1/4	25 1/4	25 1/4	23 1/4	23 1/4
March .....	..	27 1/4	..	..	26 1/4	25 1/4
RYE:						
September	35	35 1/4	34 1/4	34 1/4	34	32 1/4
December	38 1/4	39	38 1/4	38 1/4	37 1/4	36 1/4
March .....	..	..	..	42	39 1/4	39 1/4

The grain movement each day is given in the following table, with the week's total, and comparative figures for last year:

	Wheat		Flour	Corn
	Western Receipts	Atlantic Exports	Atlantic Exports	Western Receipts
Thursday	3,500,000	62,000	1,000	544,000
Friday	3,261,000	110,000	3,000	584,000
Saturday	3,398,000	216,000	14,000	780,000
Monday	4,862,000	1,716,000	3,000	493,000
Tuesday	2,705,000	495,000	14,000	121,000
Wednesday	3,722,000	180,000	5,000	158,000
Total	21,449,000	2,759,000	40,000	2,680,000
Last year	24,306,000	2,694,000	64,000	3,093,000

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